GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3968
ANSWERED ON:23.03.2001
ECONOMIC GROWTH
IQBAL AHMED SARADGI

Will the Minister of FINANCE be pleased to state:

(a) whether the CII has supported the idea that an 8 to 10 per cent growth is sustainable;

(b) if so, whether the CII has analysed the situation and suggested that it is time to move the focus away from short-term indicators to a medium and long-term outlook, looking beyond April, 2001;

(c) if so, whether these decisions have made industry confident that the economy would witness a GDP growth of 9 to 10 per cent over the next decade; and

(d) if so, the reaction of the Government on these recommendations?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a),(b)(c)&(d): Confederation of Indian Industry(CII) has stated that 8 percentper annum gross domestic product (GDP) growth is within reach and can be sustained. CII has listed 24 reasons for this medium term forecast, lookingbeyond 2001. Further CII`s analysis shows that GDP can actualy grow at 10per cent annually if the reform agenda is implemented faster than expected. The suggestions and recommendations received from various organisations and the trends in the economy are kept in view while framing economic policies. The Planning Commission has just initiated the exercises for formulating theTenth Five Year Plan (2002-2007). Alternative growth scenarios are being examined as a part of these exercises.